

****PUBLIC HEARING DRAFT****

ORDINANCE NO. 2022-01
(formerly Ordinance No. 2021-35)

AN ORDINANCE of the City of Bainbridge Island, Washington, amending Bainbridge Island Municipal Code Section 2.16.020.S. to revise the Housing Design Demonstration Project program.

WHEREAS, on August 12, 2009, the City Council adopted Ordinance No. 2009-06, establishing a pilot Housing Design Demonstration Project (“HDDP”) program to allow for the development of projects to increase the variety of housing choices available to residents of all economic segments and to encourage sustainable development through the use of development standard incentives; and

WHEREAS, Ordinance No. 2009-06 established a sunset date of August 26, 2012, for the HDDP program; and

WHEREAS, on July 18, 2012, the City Council approved Ordinance No. 2012-09, extending the HDDP program until December 31, 2013, to allow time for the City to further evaluate the program; and

WHEREAS, the City Council convened an Ad Hoc Committee made up of a Planning Commissioner, three City Councilmembers, a member of the Design Review Board, and a representative from the Housing Resources Board to evaluate and make recommendations on the HDDP program; and

WHEREAS, the Ad Hoc Committee recommended changes to the HDDP program, including extending the HDDP program until the end of 2016 to allow time for the construction of approved projects; and

WHEREAS, on December 11, 2013, the City Council adopted those recommendations with the approval of Ordinance No. 2013-25, extending the HDDP program to December 31, 2016; and

WHEREAS, on September 27, 2016, the City Council adopted Ordinance No. 2016-27, extending the HDDP program until December 31, 2019, to allow time to review the program and compare it to other affordable housing tools the City may choose to utilize, as envisioned by the draft 2016 Comprehensive Plan; and

WHEREAS, on February 28, 2017, the City Council adopted Ordinance No. 2017-01, approving the 2016 Comprehensive Plan; and

WHEREAS, the 2016 Comprehensive Plan includes several policies related to promotion of sustainable development and affordable housing; and

WHEREAS, the purpose of the existing HDDP program is to allow the development of housing design demonstration projects that increase the variety of housing choices available to residents across underserved portions of the socioeconomic spectrum, promote compact, low-impact development where it is most appropriate, and encourage high quality and innovation in building design, site development, and “green” building practices; and

WHEREAS, the Affordable Housing Task Force was created by the City Council on May 9, 2017, and was instructed to make recommendations for specific actions, programs, and strategies the City of Bainbridge Island and the City Council can take in the near-term to improve access to affordable housing across the economic spectrum; and

WHEREAS, the City’s Affordable Housing Task Force issued a final report in July 2018 with many recommendations on how to increase housing affordability and diversity on Bainbridge Island, which include similar goals as the HDDP program described above; and

WHEREAS, on October 1 and 22, 2019, a majority of the City Council indicated support for extending the HDDP program until December 31, 2021; and

WHEREAS, on December 10, 2019, the City Council approved Ordinance No. 2019-32 which narrowed the program to only apply to projects that provided at least 50% of housing units as affordable housing and extended the HDDP program until December 31, 2021; and

WHEREAS, the City continues to work on accomplishing many of the recommendations made by the Affordable Housing Task Force’s final report and to implement City green building standards, and both affordable housing and green building are required as part of the HDDP program; and

WHEREAS, at the time Ordinance No. 2019-32 was approved, the City was working on preliminary design concepts for the Suzuki Affordable Housing project, which was being planned as an HDDP project with more than 50% affordable housing, however development at the Suzuki property was removed by the City Council from the City’s priority affordable housing work list in 2020; and

WHEREAS, although the City has not received any formal development proposals that plan to utilize the HDDP program since the program was extended and narrowed at the end of 2019, there was public comment at the October 12, 2021 City Council meeting that there is at least one affordable housing project in a conceptual phase that would utilize the HDDP program; and

WHEREAS, on October 12, 2021, the City Council voted 6-0 to support a two-year extension of the HDDP program until December 31, 2023 and referred the issue to the Planning Commission for consideration and a recommendation; and

WHEREAS, on October 28, 2021, the Planning Commission discussed this Ordinance No. 2022-01 (formerly Ordinance No. 2021-35) and held a public hearing on the ordinance on November 18, 2021; and

WHEREAS, after closing the public hearing, the Planning Commission further discussed the HDDP program and voted to recommend approval to the City Council of a revised version of this Ordinance No. 2022-01 (formerly Ordinance No. 2021-35), extending the HDDP program and making other changes; and

WHEREAS, in recommending approval of Ordinance No. 2022-01 (formerly Ordinance No. 2021-35), the Planning Commission additionally recommended revising the HDDP program to require that affordable housing be targeted to low-income (or below) households, and further recommended converting the Innovative Site Development Scoring Method to a simple checklist; and

WHEREAS, on December 7, 2021, the City Council considered this Ordinance No. 2022-01 (formerly Ordinance No. 2021-35) related to extending the HDDP program and integrating the additional program changes recommended by the Planning Commission, as well as recommended changes by City staff; and

WHEREAS, during the City Council's discussion on December 7, 2021, the Council passed two motions, and via the first motion the Council directed the City Manager to prepare an ordinance to extend the HDDP program in its current form for one year, and via the second motion the Council directed the City Manager to include an agenda item on the December 14, 2021 Council agenda to set a public hearing for a future date regarding this Ordinance No. 2022-01 (formerly Ordinance No. 2021-35); and

WHEREAS, on December 14, 2021, the City Council set a public hearing for February 8, 2022 for this Ordinance No. 2022-01 (formerly Ordinance No. 2021-35) to further consider the HDDP program changes recommended by the Planning Commission and City staff; and

WHEREAS, on December 14, 2021, the City Council also considered associated Ordinance No. 2021-39, related to extending the HDDP program in its current form for one additional year to allow time for the Council to consider this Ordinance No. 2022-01 and to avoid a situation in which the HDDP program would lapse while that consideration was occurring; and

WHEREAS, on February 8, 2022, the City Council held a public hearing on this Ordinance No. 2022-01 (formerly Ordinance No. 2021-35) related to revisions and updates to the HDDP program as recommended by the Planning Commission and City staff and, after considering public comment regarding this ordinance, the Council approved a motion to forward Ordinance No. 2022-01 back to the Planning Commission to incorporate public hearing comments to provide an additional recommendation to the City Council; and

WHEREAS, on April 14 and May 12, 2022, the Planning Commission discussed Ordinance No. 2022-01 (formerly Ordinance No. 2021-35) and the public comments received by the Council that suggested additional amendments to the ordinance, and on May 12, 2022 the Planning Commission amended Ordinance No. 2022-01 and scheduled a public hearing for June 9, 2022; and

WHEREAS, on June 9, 2022, the Planning Commission discussed held a public hearing on Ordinance No. 2022-01 (formerly Ordinance No. 2021-35); and

WHEREAS, after closing the public hearing, the Planning Commission further discussed the HDDP program and voted to recommend XXX to the City Council of a revised version of this Ordinance No. 2022-01 (formerly Ordinance No. 2021-35); and

WHEREAS, notice was given on XXXX to the Office of Community Development at the Washington State Department of Commerce in conformance with RCW 36.70A.106 related to this Ordinance No. 2022-01 (formerly Ordinance No. 2021-35); and

WHEREAS, on July XX, 2022, the City Council considered this Ordinance No. 2022-01 (formerly Ordinance No. 2021-35) related to revising the HDDP program; and

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF BAINBRIDGE ISLAND, WASHINGTON, DOES ORDAIN AS FOLLOWS:

Section 1. Section 2.16.020.S. of the Bainbridge Island Municipal Code is hereby amended as shown in Exhibit A, which is fully incorporated herein to this ordinance by this reference.

Section 2. Severability. Should any section, paragraph, sentence, clause, or phrase of this ordinance, or its application to any person or circumstance, be declared unconstitutional or otherwise invalid for any reason, or should any portion of this ordinance be preempted by state or federal law or regulation, such decision or preemption shall not affect the validity of the remaining portions of this ordinance or its application to other persons or circumstances.

Section 3. This ordinance shall take effect and be in force five (5) days from its passage and publication as required by law.

PASSED BY THE CITY COUNCIL this ____ day of _____, 2022.

APPROVED BY THE MAYOR this ____ day of _____, 2022

Joe Deets, Mayor

ATTEST/AUTHENTICATE:

Christine Brown, City Clerk

FILED WITH THE CITY CLERK:
PASSED BY THE CITY COUNCIL:
PUBLISHED:
EFFECTIVE DATE:
ORDINANCE NUMBER:
ATTACHED:

_____, 2022
_____, 2022
_____, 2022
2022-01 (formerly 2021-35)
Exhibit A

EXHIBIT A TO ORDINANCE NO. 2022-01 (formerly Ordinance No. 2021-35)

2.16.020.S. Housing Design Demonstration Projects.

1. Purpose and Goals. The purpose of this subsection S is to allow the development of housing design demonstration projects that increase the variety of housing choices available to residents across underserved portions of the socio-economic spectrum, and to promote compact, low-impact development where it is most appropriate. Further, its purpose is to encourage high quality and innovation in building design, site development, and “green” building practices.

The goals of this program are to increase the housing supply and the choice of housing styles available in the community; to promote socio-economic diversity by adding to the stock of income-qualified housing; to encourage development of smaller homes, at reasonable prices, in neighborhoods attractive to a mix of income and age levels; and to demonstrate that innovative design and building techniques (conserving water and energy, using sustainably sourced materials, limiting environmental impacts) are compatible with market considerations.

2. Applicability. This subsection S is applicable to all properties located within the Winslow sanitary sewer system service area. An application for a housing design demonstration project may be applied to single-family residential subdivisions, mixed-use/multifamily and multifamily developments. Since the purpose is to provide housing projects as demonstrations, the city will accept projects for consideration and approval prior to the sunset date of the ordinance codified in this chapter. The city will limit acceptance of projects outlined in this section to two projects after the effective date of the ordinance codified in this section.

3. Review and Approval Process. Housing design demonstration project applications shall be reviewed as specified in the same manner as other applications for the same type of underlying land use permit (see BIMC 2.16.030 through 2.16.210), with additional review steps done in the order below as outlined in this subsection.

- a. Conceptual Proposal Review. Applicants proposing a demonstration project shall meet with city staff during the conceptual phase to discuss the goals and evaluation parameters of the proposed project. The conceptual proposal review is an informal discussion between the applicant and city staff regarding a proposed project. There are no required application materials for this stage. Applicants shall contact the planning department staff to request a meeting, and the meeting shall be scheduled by staff for no more than three weeks after the request date. The purpose of the conceptual proposal review is to determine if the proposal is eligible to be considered as an application for a housing design demonstration project and to assist the applicant by identifying (i) requirements for submittal, including types of supplemental materials for application; (ii) compliance with applicable city plans, goals, policies, codes, or guidelines and possible revisions to the project that will enhance the proposal with respect to these requirements; (iii) areas of BIMC Title 17, Subdivisions, and BIMC Title 18, Zoning, where the applicant seeks flexibility; and (iv) required plans, studies, reports, and/or other materials specific to the proposal that will provide necessary information for staff and the design review board, and to review the project under the criteria outlined in subsection S.4 of this section.
- b. Public Participation Program. The applicant is required to participate in one or more community meetings, either through (i) the city’s public participation program following the procedures outlined in Resolution Nos. 2010-32 and 2001-11, or (ii) an equivalent public meeting that includes participation by city staff, as approved by the director.
- c. Preapplication Conference. The applicant shall apply for a preapplication conference pursuant to subsection I of this section. Housing design demonstration projects shall be reviewed by both staff and the design review board, pursuant to subsection F of this section. The applicant shall submit an HDDP proposal consistent with the requirements in the administrative manual. The applicant shall consider input received during the public meetings and conceptual review with city staff in crafting the proposal. The proposal will be evaluated pursuant

to subsection S.4 of this section by city staff with the design review board serving in an advisory role, in addition to their review of applicable design guidelines. The director shall prepare written findings of facts, and applicants will receive preliminary notification from the director whether the proposal will qualify as a housing design demonstration project, or feedback about how to improve the proposal to qualify. If the applicant changes the proposal in any significant manner other than a response to feedback from the public meeting, conceptual review, or the preapplication review, an additional preapplication conference may be required.

- d. **Application Submittal.** An applicant may submit a land use permit application (subdivision, site plan and design review, or conditional use permit) for a housing design demonstration project after completion of a required conceptual and preapplication review and notification by the city that the proposal qualifies as a housing design demonstration project. Upon receipt of an application, the director shall provide notice to the applicant and public in accordance with subsection M of this section and commence the application review process. Housing design demonstration projects that require more than one land use permit must utilize the consolidated project review process outlined in BIMC 2.16.170. All housing design demonstration project applications, including subdivisions, shall be reviewed by the design review board and the planning commission at public meetings. The design review board and the planning commission shall make recommendations on all housing design demonstration projects.
- e. **Permit Decision.** The decision to approve or deny a housing design demonstration project shall be made as part of underlying land use permit approval. The decision shall be based upon the decision criteria of the underlying planning permit, and the decision criteria outlined in subsection S.5 of this section. Housing design demonstration project approval conditions shall be included in the final permit approval and shall address any ongoing compliance requirements, including compliance with approved design plans. The city may require that the applicant record covenants to ensure ongoing compliance or maintenance for required project components.
- f. **Building Permit.** The applicant shall submit a building permit that is consistent with all conditions of the land use permit approval. The applicant shall also submit documentation that the project has applied for required certification by a green building rating system, such as Evergreen Sustainable Development, LEED, or BuiltGreen. Proof of ongoing certification shall be required during construction and project certification must be completed prior to final occupancy.
- g. **Living Building Challenge.** For projects pursuing the Living Building Challenge standard of the International Living Building Institute, the applicant must show proof of pursuing ongoing certification during construction for all required elements. After construction, and prior to issuance of the certificate of occupancy, the applicant must show proof of initial project compliance as to the site, materials, indoor quality and beauty/inspiration components of the Living Building Challenge and that the project is likely to achieve the elements of energy and water following 12 months of occupancy as required under Living Building Challenge certification. For those elements of energy and water that require occupancy of the building for 12 months for Living Building Challenge certification, the applicant must submit a report to the city following 12 months of occupancy, demonstrating its progress towards meeting these remaining elements of the Living Building Challenge standard. If certification of those elements has not been achieved, the applicant must provide quarterly reports of progress towards certification of these elements, including additional steps and timeline that will be taken to achieve certification.

4. **Evaluation Method.** Each project will be evaluated for innovation and achievement of the goals of this subsection S of this section using a number of factors. The evaluation factors are divided into three categories. Examples of sustainable development methods do not limit other mechanisms of meeting the evaluation factor. Projects that qualify as housing design demonstration projects are eligible to use the flexible development standard incentives outlined in subsections S.6 and 7 of this section, and are eligible for the residential incentives outlined below and in subsection S.8 of this section. Tables 2.16.020.S-1, ~~S-2~~, and ~~S-3~~ show how projects are scored-evaluated to qualify for the housing design demonstration project program.

Table 2.16.020.S-1: Housing Design Demonstration Project Scoring System

Density Incentives	Requirements to Receive Incentives	
	Green Building and Innovative Site Development	Housing Diversity
2.5 x Base Density (<u>for properties in residential zones</u>) OR Max. Bonus Mixed-Use FAR (<u>for properties in the MUTC and HS Road zoning districts</u>)	<ul style="list-style-type: none"> • LEED Silver, BuiltGreen 4, or Evergreen Sustainable Development • 25 Points in <u>Project integrates at least 50% of listed Innovative Site Development Practices</u> 	<ul style="list-style-type: none"> • 50% affordable housing • Home size not larger than 1,600 sq. ft.

NOTE: For required affordable housing units:

- o ~~Home ownership projects: 50% of~~ Required affordable house units ~~should~~ must serve low-income households with an income ≤ less than or equal to 80% AMI. (See, BIMC 18.21.020.A. and BIMC 18.36.030.)
- o Rental projects: 50% of required affordable house units ~~should~~ must serve households with an income ≤ less than or equal to 60% AMI.
- o Single-family subdivision projects utilizing the 2.5x base density incentive: Accessory dwelling units (ADUs) would only be allowed on the number of single-family lots allowed by project base density calculations, not on additional lots achieved through bonus density. ADUs are not counted towards meeting affordable housing requirements of the HDDP program.

Table 2.16.020.S-2 Housing Diversity Scoring Method

		Affordable Housing			Unit Size		Unit Type	
		Project includes a number of housing units that are designated affordable for a period of 99 years to the spectrum of income levels as defined by BIMC 18.36.030.16 and 18.21.020.A. Rental housing is encouraged by awarding more points for the creation of rental housing.			Project includes a variety of unit sizes, excluding garages, that provide for a broad mix of income levels and family size. In order to score a point in a unit size range, the project shall provide at least 10% of the total number of units in that range. For example, in a 40-unit development, at least 4 units sized between 1,001 and 1,200 ft² would be needed to score points in that range.		Unit type: Project includes a variety of housing unit types (i.e., single-family style, townhouse, flat, age-in-place, ADUs, cottages) or innovative type of housing. In order to score points for different unit types, the project shall provide at least 10% of the total number units of that type. For example, in a 40-unit development of townhomes and duplexes, at least 4 units of townhomes would be needed to score points for having 2 different unit types.	
Total Housing Diversity Points Required		Affordable Units	Ownership Value	Rental Value	Unit Size Range	Value	Number of Different Unit Types	Value
		10%	10	12	< 800 ft²	1	2	2
		11—15%	12	14	801—1,000 ft²	1	3	3
		16—20%	14	16	1,001—1,200 ft²	1	4	4
		21—25%	16	18	1,201—1,400 ft²	1	5	5
		> than 25%	20	22	1,401—1,600 ft²	1	Min. Pts. Required	
		Minimum % Required			Size Requirement	Min. Pts. Required		
20-pts		50%			Max. home size 1,600 ft²	NA	NA	

Table 2.16.020.S-3 Innovative Site Development Scoring Method

Minimum Site Development Point Requirement	WATER QUALITY & CONSERVATION Projects use methods to decrease water usage and improve stormwater runoff quality through an integrated approach to stormwater management such as greywater use, stormwater collection in cisterns, green roofs and covered parking. All HDDP projects will follow the stormwater manual adopted in Chapter <u>15.20</u> BIMC.		LANDSCAPING & OPEN SPACE Project provides well designed common open space, with at least 5 percent of the gross land area, set aside as open space and designed as an integrated part of the project rather than an isolated element. The common open space must be outside of critical areas and their buffers and required roadside buffers. Appropriate community amenities such as playgrounds, composting and neighborhood gardens promoting the production of locally grown food are encouraged. Resident neighborhood community gardens can be in common open space areas, and shall be appropriately located for solar exposure, and include water availability, soil amenities, and storage for garden tools. Required growing space for neighborhood gardens is 60 square feet per dwelling unit, not including any existing orchard area. Open space dedicated to the public pursuant to the standards of BIMC Sections 17.12.030. A1, A2, A3, A6 & A7 is encouraged.		TRANSPORTATION Project design provides enhanced sensitivity to pedestrian and bicycle travel to promote the people getting around without a car, a reduced carbon footprint, improved health of humans, and lower pollution levels. Project internally preserves existing informal internal connection to external non-motorized facilities, furthering the Island-wide Transportation Plan (IWTP) and using such solutions as woonerfs, green streets, and natural trails and paths. Project reduces reliance on automobiles and trip counts, and promotes alternative transportation, such as integrating parking and charging facilities for electric cars, or bus shelters.																																																																																		
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- a. Housing Diversity. Evaluation will review:
 - i. ~~Unit Type. The project includes a variety of unit types, for example, single family, townhomes, flats, duplex, cottages, age in place or accessory dwelling units;~~
 - ii. Unit Size. ~~HDDP housing units cannot be larger than 1,600 square feet The project includes a variety of housing unit sizes that provide for a broad mix of income levels and family size; and~~
 - iii. Affordable Housing. The project includes at least 50% of housing units that are affordable to the spectrum of households at or below low-income levels as described in Chapter 18.21 BIMC, Affordable Housing, and BIMC 18.36.030. For rental projects: 50% of required affordable house units must serve households with an income less than or equal to 60% AMI. Designated affordable housing shall remain affordable for 99 years from the time of final inspection on the affordable unit. The applicant shall record covenants that demonstrate how the unit will remain affordable and be managed for 99 years.
- b. Innovative Site Development. All HDDP projects will follow the Department of Ecology's 2019 Stormwater Management Manual for Western Washington. The project must integrate at least 2 of the 14 sustainable site methods listed across the four sustainable site categories below (water quality and conservation, landscaping, open space, and transportation). For projects which designate at least 75% of units as affordable housing, compliance with the Innovative Site Development requirements is optional, not required. Evaluation will review:
 - i. Water Quality and Conservation. Projects use methods to decrease water usage and improve stormwater runoff quality through an integrated approach to stormwater management such as:
 - (a) Greywater: At least 30 % of dwelling units integrate greywater use;
 - (b) Cisterns: At least 30% of total project roof area stormwater collection is directed to in cisterns;
 - (c) Green Roofs: At least 30% of total project roof area qualifies as a "green" or vegetated roofs.
 - (d) Covered Parking: At least 80% of total project parking spaces are covered (e.g., parking garage, carport), and covered parking. All HDDP projects will follow the Department of Ecology's 2012 Stormwater Management Manual for Western Washington, as amended in December 2014.
 - ii. Landscaping. The project uses low maintenance landscaping ~~and that integrates a high proportion of native plants or drought tolerant plants that are climate appropriate. The project limits the amount of lawn in private yards in favor of common open space. Projects are encouraged to use cisterns to collect rainwater for irrigation or garden use.~~
 - (a) Native or Drought Tolerant Plants: Project landscaping integrates at least 60% native or drought tolerant plants.
 - (b) Private Yards: All private yard areas within the project designed to have less than or equal to 20% turf/grass.
 - (c) Heritage Trees: The project preserves one or more tree that has been approved as a "Heritage Tree" under the City's program.
 - iii. Common Open Space. The project provides connected common open space area set aside as active open space and designed and integrated into the project. The open space could include active elements such as a neighborhood garden/pea patch and composting facilities, or a playground.

Critical areas and their buffers and required roadside buffers do not contribute to “common open space” under the housing design demonstration project program.

(a) *Open Space*: The project integrates at least 25% of the lot area as common open space.

(b) *Neighborhood Garden*: The project incorporates a neighborhood garden or pea patch.

- iv. Transportation. The project ~~(A)~~ uses a design that provides enhanced sensitivity to pedestrian and bicycle travel; ~~(B)~~ and internally preserves existing informal, internal connection to external trail(s), or creates new connections where appropriate, to implement the Island-wide Transportation Plan (IWTP); ~~(C)~~ The project design strives to reduces reliance on automobiles and trip counts, and promotes alternative transportation and public transit; ~~(D)~~ minimizes the visual dominance of automobiles throughout the project; or ~~(E)~~

(a) *Electric Vehicle (EV) Charging*: Tthe project integrates EV accommodates needs of alternative vehicles through techniques such as parking and charging facilities for at least 10% of vehicle parking capacity electric cars, locating rechargeable electric vehicle (EV) parking in a conspicuous and preferred location close to a main building entrance; ~~and~~

(b) *Car Sharing*: The project integratesing a parking space for a vehicle sharing program, such as Zipcar™.

(c) *Public Nonmotorized Facilities*: The project provides public walkways, sidewalks, separated paths, or bike lanes not otherwise required by the IWTP. Facility location and design is subject to approval by the Department of Public Works.

(d) *Covered Bike Parking*: The project provides covered, consolidated bike parking.

(e) *Bus Shelter*: The project provides a covered bus shelter(s) for Kitsap Transit and school bus riders. Shelter location and design must be consistent with any Kitsap Transit, City, or School District requirements.

- c. Innovative Building Design. The project ~~is~~ shall be constructed under a green building certification program that requires third-party verification such as the Evergreen Sustainable Development, Living Building Challenge standard of the International Living Building Institute, Passive House Institute US/International, LEED or the BuiltGreen Program of the Master Builders of King and Snohomish Counties.

5. Approval Criteria. In addition to decision criteria required by the underlying planning permit or approval, an application for a housing design demonstration project may be approved if the following criteria are met:

- a. The applicant clearly demonstrates that the evaluation factors listed in subsection S.4 of this section will be met, ~~as shown in the housing design demonstration project scoring system~~ as evaluated by the planning and public works departments;
- b. The applicant has demonstrated how relief from specific development standards, including setback reductions, lot coverage and/or design guidelines, is needed to achieve the desired innovative design and the goals of this chapter;
- c. The project does not adversely impact existing public service levels for surrounding properties;
- d. The project complies with all other portions of the BIMC, except as modified through this housing design demonstration project process;

- e. If a project will be phased, each phase of a proposed project must contain adequate infrastructure, open space, recreational facilities, landscaping and all other conditions of the project to stand alone if no other subsequent phases are developed; and
- f. The applicant is meeting required housing diversity standards. Management of long-term affordability for designated affordable housing will be monitored through the use of recorded covenants and/or other agreements.

6. Development Standard Incentives for Development Projects in the Mixed-Use Town Center. The applicant may request that development standards from BIMC Titles 17 and 18 be modified as part of a housing design demonstration project. The city will review the request to modify development standards through the project review process outlined in subsection S.3 of this section. Requirements of BIMC Title 16 may not be modified. The following development standards may be modified:

- a. Minimum Lot Dimensions and Size. Reductions in lot size or dimensions are subject to approval by Kitsap County health district.
- b. Maximum Lot Coverage. Maximum lot coverage can be increased above zoning district requirements with no maximum.
- c. Natural Area. For MUTC projects developed under BIMC Title 17, the prescriptive natural area requirements in Table 17.12.070-1 do not apply. Instead, the project shall integrate at least 50 square feet of natural area per unit.
- d. Residential Parking. The parking requirements outlined in BIMC 18.15.020 may be modified to require one parking space for homes under 800 square feet and one and one-half parking spaces for homes between 800 and 1,200 square feet. This reduction may not be combined with any other reductions to result in less than one space per unit, and additional guest parking may be required pursuant to Table 18.15.020-1. A limited number of parking spaces may be designed to accommodate alternative fuel or subcompact vehicles such as Smart™ cars, with parking stall dimensional standards reduced from the standards outlined in BIMC 18.15.020.J. The applicants are encouraged to work with neighboring property owners to ensure street parking is not overburdened. If the project is requesting a reduction in required parking through the housing design demonstration project program, then the development shall integrate at least one guest parking space for every five dwelling units.
 - i. For projects which are 100% affordable which designate 100% affordable housing and within 1 mile of the Ferry Terminal, for units less than 900 square feet in size, the parking requirement is reduced to 0.5 space per unit.
- e. Setbacks. Unless required for public safety purposes, such as sight distance, setbacks may be reduced as described below. This section does not supersede lesser setback requirements in the MUTC/HS Road district zones, as outlined in Tables 17.12.070-1 and 18.12.020-2, as applicable.
 - i. Zoning Setback Reductions.
 - (A) Front setback within project: 10 feet.
 - (B) Rear setback within project: minimum of five feet.
 - (C) Side setback within project: minimum of five feet.
 - ii. Subdivision Setback Reductions.
 - (A) All interior subdivision setbacks: zero feet.

(B) Building to exterior subdivision boundary: five feet.

(C) Building to right-of-way or on-site private access: 10 feet.

- f. Building Height. Buildings within the Mixed-Use Town Center or High School Road districts may achieve a maximum building height not to exceed the optional height outlined in Table 18.12.020-~~2~~ 3.

7. Development Standard Incentives for Development Projects in Residential Zones. The applicant may request that development standards from BIMC Title 17 and 18 be modified as part of a housing design demonstration project. The city will review the request to modify development standards through the project review process outlined in subsection S.3 of this section. Requirements of BIMC Title 16 may not be modified. The following development standards may be modified:

- a. Minimum Lot Dimensions and Size. Reductions in lot size or dimensions are subject to approval by Kitsap County health district.
- b. Maximum Lot Coverage. Maximum lot coverage can be increased above zoning district requirements with no maximum.
- c. Natural Area. For residentially zoned projects developed under BIMC Title 17, the prescriptive natural area requirements in Table 17.12.070-1 do not apply. Instead, the project shall integrate at least 400 square feet of natural area per unit.
- d. Residential Parking. The parking requirements outlined in BIMC 18.15.020 may be modified to require one parking space for homes under 800 square feet and one and one-half parking spaces for homes between 800 and 1,200 square feet. This reduction may not be combined with any other reductions to result in less than one space per unit, and additional guest parking may be required pursuant to Table 18.15.020-1. A limited number of parking spaces may be designed to accommodate alternative fuel or subcompact vehicles such as Smart™ cars, with parking stall dimensional standards reduced from the standards outlined in BIMC 18.15.020.J. The applicants are encouraged to work with neighboring property owners to ensure street parking is not overburdened. If the project is requesting a reduction in required parking through the housing design demonstration project, then the development shall integrate at least one guest parking space for every five dwelling units.
 - i. For projects which are 100% affordable which designate 100% affordable housing and within 1 mile of the Ferry Terminal, for units less than 900 square feet in size, the parking requirement is reduced to 0.5 space per unit.
- e. Setbacks. Unless required for public safety purposes, such as sight distance, zoning and subdivision setbacks may be reduced as described below. This section does not supersede lesser setback requirements as outlined in Tables 17.12.070-1 and 18.12.020-1, as applicable. Additional vegetative landscaping screen may be required by the director when reducing setbacks.
 - i. Zoning Setback Reductions.
 - (A) Front setback to on-site access: 10 feet.
 - ii. Subdivision Setback Reductions.
 - (A) All interior subdivision setbacks: zero feet.
 - (B) Building to on-site access: 10 feet.

8. Density Bonus Incentives. An increase in residential base density may be permitted as outlined in Table 2.16.020.S-14.

Table 2.16.020.S 4: Housing Diversity Program Project Density Bonuses
<ul style="list-style-type: none">• 2.5 x Base Density• OR Max. Bonus Mixed-Use FAR (all residential)

9. Housing Project Visit. In order to learn from the innovative design practices used, all projects completed under this subsection S shall allow city staff to conduct occasional site tours. City staff will make a request of the property owner prior to conducting a tour and will not access the properties for tours more than once every three months. The site tours will be limited to the exterior and common grounds of the property and conducted during regular business hours. Visits will be coordinated through the staff and property owner, and the owner will receive written notice no less than two weeks in advance of each visit. Any additional access to private property or at alternative times shall be at the permission and cooperation of the individual homeowner only.

10. Demonstration Period. This subsection S and related provisions of BIMC Titles 2, 17, and 18 shall expire on December 31, 2022 when updated affordable housing program are adopted to replace code provisions of BIMC Sections 18.12.030 D and E and Chapter 18.21.